(latest available) is at Annexure [See Appendix CLI, Annexure No. 81]

(c) Bank-wise statement of advances to Agriculture by each of the 28 Public Sector Banks for the years December. 1984, 1985, 1986, 1987 and 1988" is at Annexure *[See* Appendix cII, Annexure No. 82]

Frauds committed in banks

1117. SHRI MUKHTIAR SINGH MALIK: Will the Minister of FINANCE be pleased to state:

(a) what is the number of frauds committed in each bank in the country during the last three years, yearwise;

(b) what action has been taken by the management against the guilty officers/employees; and.

(c) whether any steps have been taken by Government/bank management to check frauds in future and if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Information in respect of number of frauds, as reported to RBI by public sector banks, for the years 1986. 1987 and 1988 is given in the statement *(See.* below).

(b) Details in respect, of action taken by public sector banks against their delinquent officials for their involvement in cases of frauds for the years 1986, 1987 and 1988 are **as** under:

	1986	**1987**	**1988**
	51	**88**	**99**
< (ii) No. of employees awarded major/minor penalties	**683**	**944**	**706**

(Data provisional)

(c) By and large frauds have occurred in banks not on account of any lacunae in the systems and procedures, but owing to non-observance of the prescribed procedures and safeguards. Banks have books of instructions indicating precautions/checks which their staff should observe to prevent occur, rence or recurrence of frauds. Banks are also taking steps to strengthen the control mechanisms, including the internal audit /inspection machinery, and to make them effective,so as to eliminate the scope of frauds and malpractices. Banks have been taking a serious view of the irregularities committed by their employees' and initiate action to inflict punishment commensurate with the seriousness of irregularities on the part of the delinquent employees. They have been taking steps to ensure quicker disposal of departmental enquiries. Banks have reviewed and revamped their vigilance machinery, taken steps to tone up control and supervision, strengthen management information system, follow up and inspection/ audit arrangements and for clearing the arrears in balancing of books and reconciliation of inter-branch and other accounts on a continuous basic so as to prevent frauds in these areas.

Statement

Bank-wise information in respect of number of frauds as reported to RBI, by public sector hanks for the years 1986, 1987 *and* 1988.

SI. No.	Name of the Bank	1986 No. of cases	1987 No. of cases	1988 No. of cases
			590	607
2.	State Bank of Bikaner & Jaipur ■ . .	2J	28	26
3.	State Bank of Hyderabad	26	25	31
4.	State Bank of Indore	17	43	13
5.	State Bank of Mysore •	27	35	42
6.	State Bank of Patiala . . .	I5	19	18
7.	State Bank of Saurashtra .	14	8	11
		15	25	16
9.	Allahabad Bank	60	33	72
10.	Andhra Bank	14	22	29
11.	Bank of B	80	97	'. 77
12.	Bank of India .	104	100	135
13.	Bank of Maharashtra • • * •	18	33	23
14.	Canara Bank	132	141	135
		90	91	63
16.	Corporation Bank . . . . . ' . . .	16	11	14
17.	Dena Bank	44	28	27
18.	Indian Bank		23	67
19.	Indian Overseas Bank	83	44	72
			13	31
21.	Oriental Bank of Commerce	14	12	10
22.	Punjab National Bank . . .	108	51	33
2?.	Punjab & Sind Bank.....	11	15	13
		84	231	102
25.	Union Bank of India . .	88	82	44
26.	United Bank of India •	59	50	47
27.	UCO Bank..... . . .	59	37	43
		1823	14	36
	TOTAL		1901	1837